

22 October 2019

## Submissions

Electricity Authority  
PO Box 10041  
Wellington 6143

by email: [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz)

### **Submission on consultation paper—Code review programme number 4- September 2019**

1. Orion New Zealand Limited (Orion) welcomes the opportunity to comment on the Electricity Authority's (the Authority) consultation paper (the paper) on the 2019 Code review programme number four.
2. Our submission is in two parts:
  - a. our response to general issues;
  - b. our response to specific questions.
3. We have responded only to certain Code change reference numbers: 01, 04, 06, 08, 10 and 13.

#### **General Issues**

4. We agree that the Code changes proposed are generally minor in nature. We have suggested some additional minor changes to the Code drafting changes proposed by the Authority.
5. We agree with the technical and non-controversial changes except item (3) page 93 where 'experience' should read 'experienced' in the proposed amendment

#### **Concluding remarks**

6. Thank you for the opportunity to make this submission. We do not consider that any part of this submission is confidential. If you have any questions please contact Dayle Parris (Regulatory Manager), DDI 03 363 9874, email [dayle.parris@oriongroup.co.nz](mailto:dayle.parris@oriongroup.co.nz).

Yours sincerely



Dayle Parris  
**Regulatory Manager**

## Appendix A Format for submissions

A.1 Please complete the table below for each proposed amendment on which you wish to submit. Please include the reference number from the first row of the table in Appendix B).

Submitter	Orion New Zealand
Reference	2019 – 01 Revised timeframe for distributors to change price category code information in the registry
<b>Question 1: Do you agree with the Authority's problem definition? If not, why not?</b>	
Yes, we agree and have experienced problem one as described.	
<b>Question 2: Do you agree with the Authority's proposed solution? If not, why not?</b>	
Yes, we agree that the addition of clause 8(2)(aa) in Schedule 11.1 of the Code is a pragmatic approach to address problem one. Yes we agree with the addition of a registry report to assist traders to apply the correct price category code in the event of a switch withdrawal.	
<b>Question 3: Do you have any comments on the Authority's proposed Code drafting?</b>	
No comment.	
<b>Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?</b>	
Yes, we agree.	
<b>Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?</b>	
Yes, we agree.	
<b>Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.</b>	
N/A	

A.2 Please complete the table below for each proposed amendment on which you wish to submit. Please include the reference number from the first row of the table in Appendix B).

Submitter	Orion New Zealand
Reference	2019 – 04 Improving the event of default provisions
<b>Question 1: Do you agree with the Authority's problem definition? If not, why not?</b>	
Yes, we agree.	
<b>Question 2: Do you agree with the Authority's proposed solution? If not, why not?</b>	
Yes, we agree to the proposed solutions for all five problems defined.	
<b>Question 3: Do you have any comments on the Authority's proposed Code drafting?</b>	
<p>The Code change for Schedule 11.5(4)(2) has deleted (2)(b)(i) but not adjusted the subsequent numbering (i.e. continues with (ii),(iii),(iv) instead of (i), (ii), (iii)).</p> <div style="margin-left: 40px;"> <p>(2) The Authority must—</p> <ul style="list-style-type: none"> <li>(a) give written notice to the defaulting trader that the Authority considers that this clause applies; and</li> <li>(b) <u>unless the Authority considers there is good reason not to attempt to advise customers of the defaulting trader that the defaulting trader has committed an event of default and one or more of the following:—</u> <ul style="list-style-type: none"> <li>(i) <del>the defaulting trader has committed an event of default; and</del></li> <li>(ii) the customer should enter into a contract for the purchase of electricity with another trader by the date that is 14 days after the day on which the Authority gave written notice to the defaulting trader under clause 2(1);<del> and</del></li> <li>(iii) if the customer fails to enter into a contract with another trader by that date, the Authority may assign the defaulting trader's rights and obligations under the customer's contract with the defaulting trader to another trader under clause 5;</li> <li>(iv) <u>any other information the Authority considers appropriate.</u></li> </ul> </li> </ul> </div>	

<b>Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?</b>
Yes, we agree
<b>Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?</b>
Yes, we agree
<b>Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.</b>
N/A

A.3 Please complete the table below for each proposed amendment on which you wish to submit. Please include the reference number from the first row of the table in Appendix B).

Submitter	Orion New Zealand
Reference	2019 – 06 Clarifying definition of Point of Connection
<b>Question 1: Do you agree with the Authority's problem definition? If not, why not?</b>	
Yes, we agree.	
<b>Question 2: Do you agree with the Authority's proposed solution? If not, why not?</b>	
No, the solution suggests that electricity flows through phases when electricity flows through conductors.	
<b>Question 3: Do you have any comments on the Authority's proposed Code drafting?</b>	
<p>Yes, our suggested rewording is:</p> <p><b>point of connection</b> means-</p> <ul style="list-style-type: none"> <li>(a) A point at which <b>electricity</b> may flow, <u>via one or more <a href="#">conductors (utilising one or more phases)</a></u>- <ul style="list-style-type: none"> <li>(i) into or out of a <b>network</b>; <u>or</u></li> <li>(ii) <u>both into and out of a <b>network</b> at the same time</u>; and</li> </ul> </li> <li>(b) for the purposes of <b>Technical Code A</b> of Schedule 8.3, means a <b>grid injection point</b> or a <b>grid exit point</b></li> </ul>	
<b>Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?</b>	
Yes, if it provides better clarity	

<b>Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?</b>
Yes we agree
<b>Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.</b>
N/A

A.4 Please complete the table below for each proposed amendment on which you wish to submit. Please include the reference number from the first row of the table in Appendix B).

Submitter	Orion New Zealand
Reference	2019 – 08 Clarifying manner of providing final audit report and compliance plan
<b>Question 1: Do you agree with the Authority's problem definition? If not, why not?</b>	
Yes, we agree	
<b>Question 2: Do you agree with the Authority's proposed solution? If not, why not?</b>	
We agree however the proposed code drafting could suggest that the prescribed form is the manner specified. Our understanding is that the Authority wants the prescribed form delivered/submitted or provided in the manner specified i.e. it is the method by which the plan and report reach the Authority that is important.	
<b>Question 3: Do you have any comments on the Authority's proposed Code drafting?</b>	
We suggest the following amendment to the Code drafting; 16A.13(3) Each participant must provide the compliance plan and <u>final</u> audit report- (a) in the prescribed form; <u>and</u> (b) <u>delivered</u> in the manner specified by the Authority.	
<b>Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?</b>	
Yes, we agree	

**Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?**

We agree

**Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.**

N/A



A.5 Please complete the table below for each proposed amendment on which you wish to submit. Please include the reference number from the first row of the table in Appendix B).

Submitter	Orion New Zealand
Reference	2019 – 10 Improving the process for converting secondary networks
<b>Question 1: Do you agree with the Authority's problem definition? If not, why not?</b>	
We agree	
<b>Question 2: Do you agree with the Authority's proposed solution? If not, why not?</b>	
We agree	
<b>Question 3: Do you have any comments on the Authority's proposed Code drafting?</b>	
No comment	
<b>Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?</b>	
We agree	
<b>Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?</b>	
We agree	
<b>Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.</b>	
N/A	

A.6 Please complete the table below for each proposed amendment on which you wish to submit. Please include the reference number from the first row of the table in Appendix B).

Submitter	Orion New Zealand
Reference	2019 – 13 Broadening the definitions of Generating Unit and Intermittent Generating Station
<b>Question 1: Do you agree with the Authority's problem definition? If not, why not?</b>	
We agree	
<b>Question 2: Do you agree with the Authority's proposed solution? If not, why not?</b>	
We agree	
<b>Question 3: Do you have any comments on the Authority's proposed Code drafting?</b>	
No comment	
<b>Question 4: Do you agree with the objectives of the proposed amendment? If not, why not?</b>	
We agree	
<b>Question 5: Do you agree the benefits of the proposed amendment outweigh its costs? If not, why not?</b>	
We agree	
<b>Question 6: Do you agree the proposed amendment is preferable to the other options? If not, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.</b>	
N/A	